

# The Coming Crisis of School Food: From Sustainability to Austerity?

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## Introduction

At a time of unprecedented economic upheaval, when the very foundations of the economy are being called into question, it is easy to forget that one of the most important social experiments of the post-war era could be coming to an end. It is no exaggeration to present the *school food revolution* in such grand terms because, in our view, school food is the litmus test of a society's commitment to social justice, public health and sustainable development (Morgan and Sonnino, 2010). In this article it is argued that the school food revolution - which aims to create a healthier diet for children, a more localised food economy and a more sustainable food system - was beginning to show some real progress, especially in deprived parts of the country where health gains are hard to secure. However, these hard won "little victories" are now under threat because severe public expenditure cuts are forcing local authorities to seriously consider their school food options. Should they form council or arm's length consortia to reap economies of scale and reduce overheads? Or is it safer to outsource to private contractors who have more incentive to cut costs? Most radically, should the service be reduced to the bare statutory minimum - the provision of free school meals to the very poorest children?

School food is the most visible part of a wider debate about the quality of public sector food provisioning in the UK. In recent years the government has woken up to the fact that public procurement is a powerful development tool if it can be deployed effectively. Public food is a good index of socially responsible public procurement because such food is destined for the most vulnerable consumers in society - like pupils, patients and pensioners, for example. If we want to deploy the power of purchase more effectively, the debate about the quality of food on the public plate - how it is produced, where it is sourced and, of course, its nutritional value - can no longer be confined to a narrow dialogue between procurement managers and their large corporate suppliers.

Public food provisioning has been moving up the political agenda for reasons that were succinctly expressed by the Department for Environment, Food and Rural Affairs (Defra):

*"If we are what we eat, then public sector food purchasers help shape the lives of millions of people. In hospitals, schools, prisons, and canteens [...], good food helps maintain good health, promote healing rates and improve concentration and behaviour. But sustainable food procurement isn't just about better nutrition. It's about where the food comes from, how it's produced and transported, and where it ends up. It's about food quality, safety and choice. Most of all, it's about defining best value in its broadest sense"* (Defra, 2003)

Defining "best value" is easier said than done because, in the cut and thrust of procurement negotiations, this notion is often confused with low cost. School food reformers have been at the forefront of campaigns to define "best value in its broadest sense" because they believe that wholesome school food delivers *values* for money, and not just value for money in a narrow sense. Indeed, the way in which school food is viewed and valued will ultimately determine whether or not the school catering service has a viable future in the UK. Before addressing the future of the school food service, it is worth knowing something of its past.

## The School Food Revolution: how and why it happened

The history of school food in the UK has been shaped by three very different regulatory regimes, each of which has had a profound effect on the nature of the service. This section draws on our recent book - *The School Food Revolution* - to provide a brief history of the school food service (Morgan and Sonnino, 2010)

### *The Welfare Era of Collective Provision*

Social historians locate the origins of school food provision in the 1880s, when the birth of compulsory education exposed the problem of undernourished children and their inability to learn effectively. In fact in the early days, warfare was as important an influence as welfare because it was discovered that the poor physical condition of recruits during the Boer War was impairing the war effort. As a result, a Royal Commission on Physical Deterioration was established and its report led to the Education (Provision of

Meals) Act of 1906, which gave Local Education Authorities (LEAs) the power to provide meals free for children without the means to pay for them.

Although the origins of the welfare era can be traced back to the 1880s, it was the Education Act of 1944 that really codified the values of the era of collective provision. Among other things, the 1944 Act laid a duty on all LEAs to provide school meals and milk in primary and secondary schools; it specified that the price of meals could not exceed the cost of the food; and it established that the school lunch had to be suitable as the main meal of the day and had to meet the nutritional standards that were first introduced in 1941. The welfare regime was killed off by the first Thatcher government.

### *The Neo-liberal Era of Choice*

Although the neo-liberal regulatory regime was largely driven by a desire to cut costs, it was also an attempt to align the school meals service with the consumer culture of the 1970s. A new consumer culture was therefore marshaled as evidence to justify an old Conservative ideology (less public expenditure and more private choice). The neo-liberal era was embodied in two radically new policies. The first was the 1980 Education Act, which transformed the school meal service from a compulsory national subsidized service for all children to a discretionary local service. It also introduced four other major changes: (i) it removed the obligation on LEAs to provide school lunches, except for free school meals; (ii) it removed the obligation for meals to be sold at a fixed price; (iii) it eliminated the requirement for lunches to meet nutritional standards; and (iv) it abolished the entitlement to free school milk. The Conservative education minister, Mark Carlisle, identified three reasons why school meals had to be reformed:

- To make savings in public expenditure and establish the principle of "sound economics"
- To ensure that the burden of education expenditure cuts fell on school meals not the education service itself, and
- To give parents and children more freedom of choice.

The second piece of neo-liberal legislation was the 1988 Local Government Act, which introduced

compulsory competitive tendering (CCT) into public sector catering. Under the CCT regime, local authorities were required to submit their school meal service to outside competition. As bidders felt obliged to offer the lowest price, CCT triggered a dramatic reduction in costs, which induced major changes to the school meal service, including a loss of kitchens (as a processed food culture took root), a less skilled workforce, and the debasement of the food, transforming it into what one prominent school cook characterized as “cheap processed muck” (Orrey, 2003).

From a public health standpoint, the neo-liberal era was responsible for a monstrously myopic mistake. In its desire to make short-term public expenditure savings, the Conservative government fuelled the growth of unhealthy diets in schools, one of the primary determinants of obesity in children and young people. School food was driven by one factor above all others – if a food sold well and was profitable, it was provided (Passmore and Harris, 2004).

#### *The (Emerging) Ecological Era*

The ecological era is predicated on one of the core principles of sustainable development: the need to render visible the costs and connections that have been externalized (and rendered invisible) by conventional cost-benefit analysis. In other words, it highlights the multiple linkages between school food, public health, social justice and environmental integrity for example, all of which are key aspects of sustainable development.

Although the ecological era is popularly associated with the name of Jamie Oliver, whose TV series helped to put school food on the political agenda, the real origins of the new era lay in a new Scottish strategy called *Hungry For Success*, which championed a radically different type of school meal service (Scottish Executive, 2002). Among other things, the Scottish strategy contained three major social policy innovations: it recommended a “whole-school approach” to school food reform to ensure that the message of the classroom was reinforced in the dining room; it called for better quality food to be served in schools, supported by new nutrient-based standards; and it argued that the school meal service was closer to a health service than a commercial service.

This ecological approach is so radically different from the values of neo-liberal era that it constitutes nothing less than a school food revolution. In the eight

years since the publication of *Hungry For Success*, the ecological approach has spread to England and Wales (though the latter decided not to follow the other two nations in adopting new nutrient-based standards because the Welsh Assembly Government feared that doing too much too soon would have an adverse effect on the take-up of school meals.)

#### *Scope and Limits of the Ecological Era*

When we discussed the new ecological era in our book, we concluded by saying that the euphoria that greeted it could prove to be short lived because at least three conditions had to be met before it could be declared a practical success. Firstly, *extra resources* were necessary. We argued that the school food service needed to be put on a sounder economic footing because, when local authorities were expected to introduce the most radical reform since 1944, the service was in a very fragile financial state. In fact, following the Jamie Oliver TV series, and in part caused by it, the take-up of school meals actually declined, placing school caterers in an unsustainable position of higher costs (for better quality food ingredients and extra labour time) and lower take-up (as some children recoiled from the new menus).

Second, new *skills sets* were also needed throughout the school food chain, from farm to fork. Cooks and caterers had to be equipped with healthy cooking skills for example, while local authority procurement officers needed the competence and the confidence to design tenders that allowed quality food (be it local, fresh or organic, for example) to be the norm, rather than the exception.

Third, we argued that greater *social participation* was needed if school food reform was to be sustained. While the welfare and neo-liberal eras had designed their policies for children, the ecological era should design its policy *with* children and their parents, enabling the latter to be active agents in the process, rather than the passive objects they had been in the past.

Some innovative local authorities were experimenting with the ecological approach to school food provisioning long before it was either fashionable or obligatory to do so. In our book we explore these school food pioneers – East Ayrshire in Scotland, Carmarthenshire in Wales and South Gloucestershire in England – to show that local reform was possible despite the limits of national regulations.

Apart from these three pioneering

counties, the most ambitious attempt to realize the ecological approach in the UK to date has been the Soil Association’s *Food for Life Partnership* (FFLP), which champions a whole-school approach to school food reform. Launched in 2007, and supported by a BIG Lottery grant of £16.9 million over five years, the FFLP programme is working with 2,700 schools in England to enable children to eat good food, learn where it comes from, how it is produced, and how to grow it and cook it themselves. Despite some very encouraging results – especially as regards higher take-up rates of school meals, improved learning environments and more localized food supply chains – the FFLP process looks likely to stop when Lottery funding ends in 2012.

#### **The Unfinished Revolution: Austerity versus Sustainability?**

If the school catering service was in a fragile financial state before the current economic crisis, what will it look like after the proposed public expenditure cuts? In its 2007 school meals survey, the Local Authority Caterers Association said “the service is under immense pressure and it is not inconceivable that local authorities would consider abandoning the service as budgets are unable to sustain the costs involved with the introduction of the new school food standards” (LACA, 2008). The key issue, as LACA rightly emphasized, is that “school caterers are currently being expected to provide what is essentially a welfare service whilst still endeavouring to operate as a commercial venture” (LACA, 2008).

As regards the economics of the service, school caterers face two formidable challenges: (i) how to increase take-up rates to offset the rising costs associated with food ingredients and labour costs and (ii) how to sustain the service in the face of local authority spending cuts.

If the school meals service is to be put on a sustainable footing, it must meet the take-up challenge. As one local authority business manager put it, “the key to low cost in providing a school meals service is not to reduce the food cost but to increase sales and thus spread staff and other overheads further” (FFLP, 2010). The FFLP’s Caterers Circle estimates that average take-up levels of 55-60% are needed before school meals services can break even and become self-financing. The current average take-up in England is 41.1% in primary schools and 35.8% in secondary schools, while in Wales the figures are 49.6% and 40.1% respectively. Without transitional funding, it is inconceivable that school caterers can boost take-up rates to the

levels required to become self-sustaining.

The goal of a self-sustaining service looks doubly unlikely if local authorities reduce or withdraw their subsidies. The vast majority of local authority caterers in Wales, for example, are already operating at a deficit, where the average subsidy of a primary school meal stood was 95 pence in 2009 (LACA, 2009). If the level of subsidy falls, the price charged for a school meal will have to increase, putting the break even point beyond the reach of the very best caterers.

If the situation is as sombre as this analysis suggests, what is the future of the service? The progress of the past decade is in danger of being rapidly undone by a new cost-cutting drive, the likes of which have not been seen in school food circles since the CCT era. Two pioneering authorities in England have lost no time in taking radical action that bodes ill for the future of the school food service:

- *Nottinghamshire County Council*, once considered one of the leading local authority caterers in England, looks set to accept the conclusions of a trading service review conducted by Tribal Consulting, which recommended the outsourcing of the service on the grounds that no in-house option was viable. Tribal said that private operators had a greater capacity to cut costs, which account for 54% of the total, but it warned that the quality of the service could suffer. Tribal also said that the county needed to increase the "market appetite" for the service by bundling school catering with other services, like cleaning, building and landscaping for example. (Tribal, 2010). This is a classic example of the school food counter-revolution, where food provisioning is treated on a par with cleaning, just another service in the bundled package that is called facilities management.
- *Croydon Council* has served notice on one of the country's most innovative contract caterers for school food, deciding not to re-tender its school meals contract, forcing schools to go it alone (FFLP, 2010).

Local authority provision of school food is much higher in Wales than it is in England, therefore the challenge to local authorities is that much greater. Carmarthenshire has been one of the

most innovative school catering services in Wales and it is therefore a good bellwether of what a forward-looking local authority can do. Although it is still monitoring its options, Carmarthenshire appears to have already rejected two options: it has decided against following the Nottinghamshire option of outsourcing the service to a private contractor, and it has rejected the minimalist statutory option of becoming a "free school meals only" service. Among the remaining options, Carmarthenshire is exploring a combination of in-house changes, including price increases and much reduced choice to enable greater volumes of a smaller range of foods, and more radical organizational changes, like regional consortia for service delivery. Carmarthenshire is already part of a regional consortium of six local authorities in west Wales, and one option would be for it to assume the lead role for school food for the region as a whole, given its widely acknowledged competence.

The Welsh Assembly Government is keen to promote organizational innovation along these lines so as to overcome the high costs associated with 22 separate local authorities, a structure that is guaranteed to inflate costs. A regional consortium of local authorities, or an arm's length not-for-profit organization for the region, would provide the economies of scale that could help to offset the cost pressures in the service as it is currently structured. Whichever one of these regional options is chosen, it is clear that the status quo is not a viable option for the future.

As important as it is, structural change alone will not save the service. Indeed, whether or not a viable school meals service survives the current round of public expenditure cuts, depends mostly on the way in which school food is viewed and valued. If it is viewed and valued in narrow commercial terms, where profit and loss are the only metrics, then the service is doomed to decline, probably dwindling into a statutory rump of highly stigmatized free school meals. But if it is viewed and valued in more capacious terms, where public health, social justice and ecological integrity are the key metrics, then another scenario is possible because school food will be recognized for what it really is - a health and wellbeing service. No great leap of the imagination is required to view and value school food in a more capacious way.

In health terms, the UK has the highest rate of childhood obesity in Europe, with a quarter of children obese or overweight, and the Foresight Programme estimated that 40% of Britons will be obese by 2025 if current trends are not checked. School food reformers in England have shown that the Government spends more on diabetes in three days than it spends on the School Lunch Grant in an entire year (FFLP, 2010). In education terms, it has been shown that wholesome school food helps to fashion a more congenial learning environment, yielding educational dividends even in very poor areas like the London borough of Greenwich (Belot and James, 2009). More "joined-up" thinking is what is really needed to put the school food service on a sustainable footing.

Viewing and valuing school food in a more "joined-up" fashion will be a major challenge to the public procurement profession in the UK because, with notable exceptions, it has allowed low cost to masquerade as best value (Morgan, 2008). Public procurement professionals find themselves on the front line in the age of austerity because, while they are under pressure to secure "more for less" as it were, they are also expected to deliver values for money. In Wales public procurement managers are also enjoined to increase the proportion of food they procure from Welsh sources, one of the key aims of the Welsh Assembly Government's new food strategy (WAG, 2010).<sup>1</sup>

If it is to deliver "best value in its broadest sense", the public procurement profession in Wales will need to acquire new and better skill sets because, as it is presently organized, it is understaffed and ill-equipped to meet such an exacting challenge (Morgan, 2010).

In conclusion, the school food revolution, embodying one of the most hopeful and inspiring social experiments in post-war Britain, has been stopped in its tracks by the age of austerity. Indeed, if the school food service is not viewed and valued differently, especially by central and local government, it is not too fanciful to suggest that there is no viable future for it, other than as a rump provider of free school meals. In that event, the school meals service would become a highly stigmatized service, the preserve of the poorest of the poor, which is the exact opposite of what it should and could be: a health-promoting service for all.

#### Note

1. According to the 2009 Public Sector Food Purchasing Survey, the proportion of "Welsh origin" purchases now accounts for 47.4% of all key category food purchases in Wales, equivalent to £16.5 million out of a £35 million market.

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